

MINUTES OF THE REGULAR MEETING

OF THE

COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

June 19, 2001

The Commissioners of the Chicago Housing Authority met in regular session on Tuesday, June 19, 2001 at 8:30 a.m. at the Charles Hayes Family Investment Center located at 4859 S. Wabash in Chicago.

The meeting was called to order by the Chairperson, and upon roll call, those present and absent were as follows:

Present:	Sharon Gist Gilliam
	Rahm Emanuel
	Michael Darcy
	Leticia Peralta Davis
	Dr. Mildred Harris
	Mamie Bone
	Andrew Mooney
	Hallie Amey
	Earnest Gates
	Sandra Young

Absent:	None
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Also present were Terry Peterson, Chief Executive Officer; G.A. Finch, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

The Chairperson convened the Public Hearing portion of the meeting by inviting residents and the public at large to address the Board.

The Chairperson thereupon introduced an Omnibus Motion to approve the Minutes of the Regular Meeting of April 17, 2001 and May 15, 2001 and the Resolutions for Items 1 under the General Section, Items 1 and 2 under Executive Session, Items A1 through A3 from the Tenant Services Committee, Items B1 through B4 from the Operations and Facilities Committee and Items C1 through Item C5 from the Finance and Audit Committee.

Commissioner Gates made an Omnibus Motion for the adoption of the April 17th and May 15th Minutes and the resolutions for Items 1 under the General Section through C5 under the Finance and Audit Committee section.

(ITEM 1 - GENERAL)

The purpose of this Amendment is to transfer the following nine (9) Projects IL06P002135, 137, 140, 150, 154, 155, 158, 160 and 175 from the development stage on ACC C-1150 with The Habitat Company, the Receiver, to operations and management on ACC C-1014 with the Authority. These projects have been completed and are to become part of the Authority's inventory of units.

RESOLUTION 2000-CHA-74A

Amendment No. 117 for Project Nos. IL06P002135, 137, 140, 150, 154, 155, 158, 160 and 175.

WHEREAS, the Chicago Housing Authority (therein called the "Local Authority"), and the United States of America, (herein the "Government"), as of the 13th day of June, 1972, entered into a certain Annual Contributions Contract to assist in the development of certain low-rent housing, identified therein as Project No. IL002001 through 11, 13 through 27:A, B, C, 28 through 37:A, B, 38 through 41, 42:A, B, C, D, E, F, G and H, 43, 44:A, B, C, D, 45:A, B, 46 through 64, 66 through 74, 76, 78 through 85, 90, 91, 93, 94, IL06P002095, 96, 102, 103, 105, 110, 111, 112, 115, 116, 118 through 122, 124 through 142, 145, through 147, 149, 150, 151, 154 through 158, 160, 162, 163, (MROP), 164 through 173, 175, 176 through 178, 180, 182, 184, 194, 205 through 212.

WHEREAS, the Local Authority and the Government desire to modify the terms of said Annual Contributions Contract;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Chicago Housing Authority shall enter into an amendatory agreement with the Government, modifying the terms of the Annual Contributions Contract, and the Chief Executive Officer, or his designee is hereby authorized and directed to execute Amendment No. 117 of the Annual Contributions Contract in quintuplicate and the Custodian and Keeper of Records is authorized and directed to attest and impress the official seal of the Chicago Housing Authority on each such counterpart. The aforesaid amendatory agreement shall be in substantially the attached form.

(ITEM 1 – EXECUTIVE SESSION)

RESOLUTION NO. 2001-CHA-75A

WHEREAS, the Board of Commissioners has reviewed Board Letter dated May 7, 2001, requesting authorization to enter into a settlement agreement in the matter of Jackson by Peeples versus the Chicago Housing Authority et al, 98 L 2018.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the General Counsel or his designee to enter into the settlement agreement in the matter of Jackson by Peeples versus the Chicago Housing Authority et al, 98 L 2018.

(ITEM 2 – EXECUTIVE SESSION)

RESOLUTION NO. 2001-CHA-76A

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated June 4, 2001 requesting that the Board of Commissioners approve the Personnel Action Reports for May 2001.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the Personnel Actions for May 2001.

(ITEM A1)

The Resolution for Item A1 approves the CHA Homeownership Policy. This policy outlines the CHA's commitment to provide homeownership opportunities for CHA residents. Concurrently, the proposed Amendment to the Section 8 Administrative Plan outlines CHA's commitment to providing homeownership opportunities to Housing Choice Voucher holders. This policy further provides the context in which CHA will advance future programs and proposals for homeownership.

RESOLUTION NO. 2001-CHA-77A

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 4, 2001, requesting approval of the CHA Homeownership Policy;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners adopts the attached CHA Homeownership Policy.

THAT, this CHA Homeownership Policy supersedes all conflicting language found in existing CHA policies and procedures.

(ITEM A2)

In order to comply with goals and policies stated in the Plan for Transformation, the Resolution for Item A2 grants approval to amend the Section 8 Administrative Plan. The amendments include changes in language with regards to Section III H (b) – Selection from the Waiting List, Section III W – Unit Meets Housing Quality Standards and Section IV G - Homeownership Program.

RESOLUTION NO. 2001-CHA-78

WHEREAS, The Board of Commissioners of the CHA has reviewed the Board Letter dated June 4, 2001 requesting authorization to Amend the Chicago Housing Authority Section 8 Administrative Plan.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, The Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to Amend the Chicago Housing Authority Section 8 Administrative Plan.

(ITEM A3)

In order for the CHA to reevaluate the role of the Spanish Coalition for Housing (SCH) in relation to the Plan for Transformation, the Commissioners had approved an extension in SCH's contract to review their expenditures during the initial term of the contract. An auditor was engaged to review the SCH's performance, and the auditor's report indicates minor findings that would not prevent the CHA from extending the contract. The resolution for Item A3, therefore, approves the option to extend SCH's contract for one additional year in a total amount of \$400,000, subject to the approval of HUD.

ESOLUTION NO. 2001-CHA-79

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated May 17, 2001, entitled "Authorization to exercise an option to extend a contract for one year, for marketing and outreach of CHA Programs to Spanish Coalition For Housing;"

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to exercise a one year option to extend Contract No. 9323 for the period of August 1, 2001 to July 31, 2002, with Spanish Coalition for Housing in an amount not-to-exceed \$400,000.00, subject to United States Department of Housing and Urban Development approval, as necessary.

(ITEM B1)

The resolution for Item B1 approves submission of an application to the U.S. Department of Housing and Urban Development (HUD) for \$35million in HOPE VI funding to redevelop the

Rockwell Gardens public housing development. The HOPE VI grant application is a result of a planning process that began last year. It involves the Local Advisory Council of Rockwell Gardens, 2nd Ward Alderman, the City Department of Housing, the City Department of Planning and Development, the Gautreaux Plaintiffs' and the Habitat Company. The City's Department of Human Services and other agencies have also been closely involved in planning for the human capital development portion of the application. The Working Group has selected the development team of East Lake Development and Management Corporation to master plan and develop the site, as well as to create opportunities in the build-out for other local builders and developers. Pursuant to the Moving to Work Agreement, HUD expects CHA to apply for all HOPE VI revitalization and demolition funds available in order to receive the full amount of \$1.565 billion in total capital funds.

RESOLUTION NO. 2001-CHA-80

WHEREAS, the Board of Commissioners has reviewed Board Letter dated May 21, 2001 requesting authorization to submit an application to the U.S. Department of Housing and Urban Development (HUD) for HOPE VI Revitalization funding for the redevelopment of the Rockwell Gardens public housing development and concurs with the recommendation contained therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the submission of an application to HUD for HOPE VI funding for the redevelopment of the Rockwell Gardens public housing development.

(ITEM B2 – THIS NUMBER NOT USED)

(ITEM B3)

The resolution for Item B3 approves submission of a HOPE VI Revitalization application to HUD to fund the redevelopment of Robert Taylor Homes A and B developments. Similar to the Rockwell planning process, several community and civic groups were involved. The Taylor Working Group selected the development team of Brinshore/Michael to master plan and develop the site. The full implementation of Taylor A&B plan, may require \$37 million to complete, in addition to the current HOPE VI application and existing HOPE VI funds for Taylor B. The site could potentially be the subject of an additional HOPE VI application in future years. In the event that the additional HOPE VI or other grants are not available, CHA capital funds will be required to complete the plan.

RESOLUTION NO. 2001-CHA-81

WHEREAS, the Board of Commissioners has reviewed Board Letter dated May 21, 2001 requesting authorization to submit an application to the U.S. Department of Housing and Urban Development (HUD) for HOPE VI Revitalization funding for the redevelopment of the Robert Taylor Homes A & B public housing development and concurs with the recommendation contained therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the submission of an application to HUD for HOPE VI funding for the redevelopment of the Robert Taylor Homes A & B Gardens public housing development, and planning for an additional future \$37 million in HOPE VI and/or CHA capital funds to complete the plan.

(ITEM B4)

The CHA Plan for Transformation requires the demolition of all gallery-style high-rise buildings. In order to achieve this goal, building consolidation in anticipation of demolition is necessary. In accordance with the Private Management Firm's management agreement, the CHA may assign general construction responsibilities for the "make-ready" program to certain private management firms. The resolution for Item B4 approves a contract modification to the FY2001 Comprehensive Grant Program budget and the allocation and disbursement of \$705,480 to H.J. Russell for the purpose of "make-ready" unit construction.

RESOLUTION NO. 2001-CHA-82

WHEREAS, the Board of Commissioners has reviewed the memorandum dated May 31, 2001 entitled, “Approval of Comprehensive Grant Program Budget Allocation and Disbursement for Building Consolidation Initiative” and concurs with the recommendations contained therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the CHA to proceed with the contract modification in the FY 2001 Comprehensive Grant Program budget, and the allocation and disbursement of the cumulative not-to-exceed amount of \$705,480 in Comprehensive Grant Program funding to H. J. Russell for the purpose of “make-ready” unit construction. The total amount of Comprehensive Grant Program funds to be allocated and disbursed to the Private Management Firm is as follows:

<u>Development</u>	<u>Private Management Firm</u>	<u>Allocation and Disbursement</u> <u>Amounts</u>
ABLA	H.J. Russell	Not-to-exceed \$705,480

(ITEM C1)

The Authority’s Plan for Transformation contemplates large-scale capital improvements to upgrade it’s inventory of housing units, including, the demolition of 18,000 obsolete units and the rehabilitation and construction of approximately 25,000 housing units (the “Program”). Implementation of this Program is predicated upon capital funding through the Capital Fund Program that is expected to be received over the life of the Bonds. In order to accelerate the implementation of the Program, the Authority intends to leverage the anticipated future capital funding revenues through the issuance and sale of Capital Program Revenue Bonds and the application of the proceeds thereof to fund Program improvements. The resolution for Item C1 therefore approves the issuance and sale of not-to-exceed \$300,000,00 aggregate principal amount of Capital Program Revenue Bonds, Series 2001, of the Authority, execution and delivery of a Master Trust Indenture and related matters.

RESOLUTION NO. 2001-CHA-83

Resolution providing for the issuance of not to exceed \$300,000,000 aggregate principal amount of Capital Program Revenue Bonds, Series 2001, of the Chicago Housing Authority, and authorizing the sale thereof; authorizing the execution and delivery of a Master Trust Indenture, a First Supplemental Trust Indenture, a Tax Compliance Agreement, a Bond Purchase Agreement, and a Continuing Disclosure Undertaking; and authorizing the preparation, execution and distribution of a Preliminary Official Statement and an Official Statement; and related matters.

WHEREAS, the Chicago Housing Authority, a municipal corporation and a body corporate and politic, duly organized and validly existing under and by virtue of the laws of the State of Illinois (the “*Authority*”), is authorized by the laws of the State of Illinois, including, without limitation, the Housing Authorities Act, 310 ILCS 10/1, *et seq.* and all laws amendatory and supplemental thereto, including in particular the Local Government Debt Reform Act, 30 ILCS 350/1, *et seq.*, as amended (the “*Act*”), to acquire and dispose of improved or unimproved property, to remove unsanitary or substandard conditions, to construct and operate housing accommodations, to regulate the maintenance of housing projects and to borrow, expend, loan, invest, and repay monies for the purposes set forth in the Act and such powers are public objects and governmental functions essential to the public interest; and

WHEREAS, the Authority has the power to issue its revenue bonds to finance in whole or in part the cost of acquisition, purchase, construction, reconstruction, improvement, alteration, extension or repair of any project or undertaking pursuant to the Act and to secure such bonds by pledges of its revenues, or in any other manner; and

- WHEREAS,** pursuant to and in accordance with the provisions of the Act, the Authority desires to authorize the issuance and sale of not to exceed \$300,000,000 aggregate principal amount of its Capital Program Revenue Bonds, Series 2001 (the “*Bonds*”), which Bonds shall be secured by Revenues and Bond proceeds or income from the temporary investment thereof, as provided in the Indenture (as hereinafter defined); and
- WHEREAS,** the Bonds are not a debt of any city, village, incorporated town or county, or the State or any political subdivision thereof other than the Authority and no city, village, incorporated town or county, or the State or any political subdivision thereof (other than the Authority as provided in the Indenture) will be liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than those of the Authority pledged pursuant to the Indenture; and
- WHEREAS,** it is now necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of the Indenture under which the Bonds will be issued and secured; and
- WHEREAS,** it is now necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of a Purchase Agreement with respect to the sale of the Bonds; and
- WHEREAS,** it is now necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of a Tax Compliance Agreement with respect to the Bonds; and
- WHEREAS,** it is now necessary, desirable and in the best interests of the Authority to approve the preparation and distribution of a preliminary official statement and the execution and distribution of an official statement in connection with the issuance and sale of the Bonds; and
- WHEREAS,** it is now necessary, desirable and in the best interest of the Authority to authorize the execution and delivery of a Continuing Disclosure Undertaking with respect to the Bonds; and

NOW THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY:

Section 1. Definitions. In this Resolution, each of the terms *Act*, *Authority* and *Bonds* shall have the meanings ascribed to such terms in the Recitals and the following terms shall have the meanings ascribed to such terms in this Section 1, unless the context otherwise requires:

“*Authorized Officer*” means the Chairman, Chief Executive Officer or Chief Financial Officer of the Authority, or any other person authorized by resolution of the Authority to perform the act or sign the document in question.

“*Board Letter*” means the Authority’s Board Letter relating to this Resolution and the issuance of the Bonds.

“*Capital Fund Program*” means the federal housing assistance program established in the year 1998 by the Quality Housing and Work Responsibility Act, amending Section 9(d) of the United States Housing Act of 1937 (42 U.S.C. §1437g(d)), and all successor or replacement federal programs pursuant to which the Authority receives funds for the purpose of public housing modernization, renovation or rehabilitation, including without limitation, any program under which the Authority receives capital funds for such purposes through the receipt of rental payment from, or on behalf of, tenants.

“*Continuing Disclosure Undertaking*” means a continuing disclosure undertaking, in form approved by an Authorized Officer, under which the Authority agrees to provide continuing disclosure to investors pursuant to Section 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

“*Indenture*” means the Master Indenture, as supplemented by the Supplemental Indenture.

“Interest Payment Date” means January 1 and July 1 of each year commencing on January 1, 2002.

“Master Indenture” means the Master Trust Indenture between the Authority and the Trustee in substantially the form of Exhibit A attached hereto.

“Person” means any authorities, governmental agencies, private persons, firms or corporations.

“Program” means the Capital Program component of the Authority’s Plan for Transformation, as contemplated by the Moving to Work Demonstration Agreement, dated February 6, 2000, between the Authority and the Department, as such Agreement is amended and supplemented from time to time, including as amended by Amendment No. 1 to the Authority’s Moving to Work Demonstration Agreement, dated January 17, 2001.

“Purchase Agreement” means the contract of purchase between the Authority and the Senior Managing Underwriters, as representatives of the underwriters named therein, relating to the issue, purchase and sale of the Bonds in form and substance acceptable to the Chief Financial Officer of the Authority.

“Revenues” means all moneys received by the Trustee for deposit in the funds and accounts established under this Indenture, other than moneys deposited into and held in the Program Expense Fund.

“Senior Managing Underwriters” means Lehman Brothers and Salomon Smith Barney.

“Supplemental Indenture” means the First Supplemental Trust Indenture between the Authority and the Trustee in substantially the form of Exhibit B attached hereto.

“Tax Compliance Agreement” means an agreement between the Authority and the Trustee containing requirements relating to the preservation of the tax-exempt status of the Bonds in form and substance acceptable to the Chief Financial Officer of the Authority.

“Trustee” means BNY Midwest Trust Company, having an office in the City of Chicago, Illinois.

Section 2. Purpose and Description of the Bonds.

(a) The form of the Bonds set forth in the Supplemental Indenture, subject to appropriate insertions and revisions in order to comply with the provisions of the Master Indenture and the Supplemental Indenture, is hereby authorized and approved. The Bonds shall be executed in the name and on behalf of the Authority by the manual or facsimile signature of the Chairman of the Board and countersigned by the manual or facsimile signature of the Secretary of the Authority. No seal of the Authority shall be required to be affixed, imprinted, engraved or otherwise reproduced thereon. Any Authorized Officer of the Authority shall cause the Bonds, as so executed and attested, to be delivered to the Trustee, for authentication. When the Bonds shall be executed on behalf of the Authority in the manner contemplated by the Master Indenture, the Supplemental Indenture and this Resolution, they shall represent the approved form of Bonds of the Authority.

(b) The Bonds shall be designated “Chicago Housing Authority Capital Program Revenue Bonds, Series 2001.” The Bonds shall bear interest at the rate or rates as provided in the Supplemental Indenture, but in no event shall such rate or rates exceed 11% per annum. Interest on the Bonds shall be payable on each Interest Payment Date as provided in the Supplemental Indenture. The Bonds shall mature on such dates as provided in the Supplemental Indenture, but in no event later than July 1, 2020. The Bonds shall be subject to redemption, as provided in the Indenture. The Bonds may be redeemable prior to maturity at the option of the Authority, in whole or in part on any date, at such times and at such redemption prices (to be expressed as a percentage of the principal amount of such Bonds being redeemed, plus accrued interest to the date of redemption), as shall be determined by an Authorized Officer at the time of the sale thereof. The Bonds may be made subject to sinking fund redemption, at par and accrued interest to the date fixed for redemption, as determined by an Authorized Officer at the time of

the sale thereof; provided, that such Bonds shall reach final maturity not later than the date set forth herein.

(c) The Bonds, together with the interest thereon, are not general obligations of the Authority but are limited and special obligations payable solely from the Revenues, Bond proceeds and income and gains from the investment of Bond proceeds, and any other amounts pledged pursuant to the Indenture. The Bonds are not a debt of any city, village, incorporated town or county, or the State or any political subdivision thereof (other than the Authority as provided in the Indenture) and no city, village, incorporated town or county, or the State or any political subdivision thereof other than the Authority will be liable thereon.

(d) The Bonds shall be issued as “Senior Obligations” under the Indenture and shall have a *pari passu* lien on the trust estate described in the Master Indenture with any future Senior Obligations issued on a parity with the Bonds under the Master Indenture. The Bonds are being issued generally to provide funds to the Authority to finance capital projects pursuant to the Program, subject to the limitations and provisions contained in the Act and the Master Indenture.

Section 3. Pledge of Federal Capital Grant Payments to Secure Bonds.

The Board hereby affirms the authorization of the execution of the Master Indenture and the pledge by the Authority to the Trustee of moneys to be received by the Authority from the United States Department of Housing and Urban Development pursuant to the Capital Fund Program as security for the payment of the principal of, premium, if any, and interest on the Bonds.

Section 4. Authorization of Bonds and Authority Documents.

The Authority is hereby authorized to enter into the Master Indenture and the Supplemental Indenture in substantially the same forms thereof now before the Authority and is authorized to enter into the Purchase Agreement, the Tax Compliance Agreement and the Continuing Disclosure Undertaking, all in form approved by an Authorized Officer (collectively, the “*Authority Documents*”) with the other parties thereto. The form, terms and provisions of the Master Indenture and the Supplemental Indenture are, in all respects approved. Each Authorized Officer of the Authority is authorized, empowered and directed to execute and deliver and, if required, to attest and to affix the official seal of the Authority to, the Authority Documents in the name, for and on behalf of the Authority, and thereupon to cause the Authority Documents to be executed, acknowledged and delivered to the other parties thereto. When the Authority Documents are executed and delivered on behalf of the Authority as hereinabove provided, such Authority Documents shall be binding on the Authority. The Board Letter and Authority Documents shall constitute, and hereby are made, a part of this Resolution, and copies of the Board Letter and Authority Documents shall be placed in the official records of the Authority, and shall be available for public inspection at the office of the Authority.

Section 5. Authorization to Select Underwriters/Sale of Bonds.

Subject to the limitations contained in this Resolution, authority is hereby delegated to any Authorized Officer to sell the Bonds to the Senior Managing Underwriters, as representatives of a group of underwriters to be approved by the Chief Financial Officer, at a purchase price (which shall not be less than 97% of the principal amount of the Bonds less an amount equal to the amount of any original issue discount used in the marketing of the Bonds) and subject to the terms and conditions relating to authorized denomination, registration, transfer and redemption of such Bonds as set forth in the Supplemental Indenture and the Purchase Agreement.

Section 6. Official Statement.

The preparation and distribution of a preliminary official statement and preparation, execution (by and Authorized Officer) and distribution of an official statement by the Underwriters, is hereby authorized. Such preliminary official statement shall be in substantially the same form as is now before the Authority. Any Authorized Officer is authorized, empowered and directed to execute an official statement in substantially the same form as the preliminary official statement, but with appropriate variations to reflect the final terms of the Bonds.

Section 7. Changes to Indenture.

There is hereby delegated to each Authorized Officer executing the Master Indenture and the Supplemental Indenture as provided above, the power to approve any final changes from the forms of such documents submitted herewith and approved hereby, the execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions from the form or forms of the Master Indenture and the Supplemental Indenture approved hereby.

Section 8. ACC Amendment

The proper Authorized Officer or officers are hereby authorized and directed to execute and deliver an amendment to the Annual Contributions Contract No. 1014 in order to facilitate the issuance of the bonds.

Section 9. Further Assurances

Any Authorized Officer of the Authority be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the Authority under and pursuant to this Resolution and is hereby further authorized, empowered and directed for and on behalf of the Authority, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this Resolution or as may be required in connection with the execution, delivery and performance of the Authority Documents, the Bonds and the distribution of the preliminary official statement and official statement authorized by this Resolution.

Section 10. Ratification of Prior Acts.

All acts of the officers, employees and agents of the Authority which are in conformity with the purposes and intent of this Resolution be, and the same hereby are, in all respects, ratified, approved and confirmed.

Section 11. Registration/Book-Entry.

The Bonds shall initially be issued in book-entry form and registered in the name of The Depository Trust Company, New York, New York (“DTC”), or its nominee, as securities depository. Any Authorized Officer is hereby authorized, empowered and directed to execute (and the Secretary or Assistant Secretary of the Authority is authorized to attest) and deliver an agreement with DTC in order to effect such book-entry registration.

Section 12. Severability.

The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 13. Conflicts.

All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 14. Effective Date.

This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

(ITEM C2)

The resolution for Item C2 approves the Authority’s Budget Policy and Procedures Manual. The Policy is established to maintain effective management of the Authority’s financial resources. Major components of the policy include budget preparation, budgetary control and monitoring and financial management.

RESOLUTION 2001-CHA-84

WHEREAS, the Board of Commissioners has reviewed the Board letter dated May 19, 2001, entitled ADOPTION OF THE BUDGET POLICY AND PROCEDURES MANUAL;

THERE FORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners for the Chicago Housing Authority, hereby adopts, “THE BUDGET POLICY AND PROCEDURES MANUAL”, and finds with respect to the said document:

1. The policies and procedures are effective upon adoption.
2. This policy supersedes all previously issued policies and Board resolutions that pertain to budget policy and procedures.

THAT, the Chief Executive Officer and the Chief Financial Officer are authorized to implement the above policy and procedures.

(ITEM C3)

The resolution for Item C3 approves the payoff of mortgages entered into under the former Homeownership Program in an amount not-to-exceed \$685,000. The Homeownership Program entered into approximately 20, 30-year conventional mortgages to purchase and rehabilitate single family residences during 1997, 1998 and 1999. Nine of these properties remain. In light of the fact that these loans carry interest rates in excess of 9% and require monthly payments of \$7,500 in total, it is in the best interest of the Authority to pay of this debt to effect savings of \$60,000 per year or approximately \$800,000 over the life of the loans.

RESOLUTION 2001-CHA-85

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated May 16, 2001, entitled, “Authorization to Pay off Homeownership Mortgages.”

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to pay off the following Homeownership mortgages as indicated below, in an amount not to exceed \$685,000.

<u>HOMEOWNERSHIP MORTGAGE PAYMENTS</u>						
Lender	Address	Account Number	Monthly Payment	Interest Rate	Balance Due (1)	Maturity Date
Alliance Mortgage Corp.	7518 S. Merrill	697853	\$ 871.33	7.875	\$ 71,990.52	Nov. 2027
CitiMortgage/Source One	6202 S. Talman	702221377	903.00	9.000	91,898.80	Sept. 2029
	1317 W. 71 st Street	702037134	761.00	9.000	64,085.66	Apr. 2029
Crossland	8854 S. May	2987386	796.24	8.000	78,776.99	Mar. 2029
National City Mortgage	8640 S. Morgan	8642459	874.59	8.500	89,265.61	Sept. 2028
	2067 E. 97 th Street	9421268	642.56	9.000	56,915.75	Feb. 2029
	10436 S. Corliss	9483882	754.19	7.875	67,481.01	Mar. 2029
	7642 S. Hermitage	9351112	1,062.95	9.375	81,219.62	Dec. 2028
Principal Residential	11616 S. Harvard	2002913-8	901.07	8.375	81,584.27	May 2028
TOTAL			\$7,566.93		\$683,218.23	

(1) As of April 1, 2001.

(ITEM C4)

The resolution for Item C4 approves an increase of \$20,000 to an existing contract with Ameritech for frame relay services and also authorizes a non-competitive one year contract with Ameritech for additional frame relay services. In order to support CHA’s on-going City of Chicago/Sister Agency initiatives, the CHA expanded its Wide Area Network to the Daley Center to provide a direct link to the network for access to 311, Administrative Hearings and GIS systems. 311 is used to report non-emergency items to a central department which subsequently routes/forwards the request for service to the appropriate agency. GIS is an acronym for

Graphical Information System, which is a Graphic database information system. A user can obtain a variety of information ranging from Ward boundaries, buildings (electrical, mechanical, etc.) to aerial drawings. Because of the uniqueness of the service, the necessity of using the current vendor's equipment regardless of service provider and the advice of CHA's consultants regarding the current lack of competition, the non-competitive contract award is approved, subject to HUD's approval.

RESOLUTION 2001-CHA-86

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 1, 2001 entitled, "AUTHORIZATION TO AWARD A CONTRACT FOR FRAME RELAY SERVICES TO SBC (AMERITECH) AND TO RATIFY PAYMENT."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners approves an increase in the contract amount not to exceed \$20,000.00 for payments exceeding the Chief Executive Officer's \$100,000.00 contracting authority for the CHA's contract with Ameritech Inc. for Frame Relay Services.

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a one year contract through a procurement by non-competitive proposals pursuant to 24 C.F.R. 85.36 (d)(4)(i)(c) for frame relay services with Ameritech, Inc. in an amount not to exceed \$324,000.00, subject to HUD's approval.

(ITEM C5)

In February 2001, the Board approved an increase in the Energy Services Agreement with EUA Citizens and the related tax-exempt loan from \$15,000,000 to \$30,000,000 and to execute the negotiated agreements. In order to proceed with the energy services work contemplated for completion at the four priority Senior buildings, it is necessary to obligate capital funds currently committed to projects that will not be started until later this year. The resolution for Item C5, therefore, authorizes the advance of capital funds for energy conservation measures which are part of the increased scope of work under CHA's Energy Services Agreement with EUA Citizens Conservation Services, Inc. and declaring the official intent of the Chicago Housing Authority to reimburse certain capital expenditures for energy conservation measures from the proceeds of future debt issue(s).

RESOLUTION 2001-CHA-87

WHEREAS, the United States Department of the Treasury has promulgated final regulations that, among other things, impose certain requirements on the Chicago Housing Authority (the "CHA") in connection with the reimbursement of the CHA from the proceeds of tax-exempt debt for expenditures made for capital improvements;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, CHA is authorized, and expects, to advance Capital Funds for energy conservation equipment and related equipment and improvements to be reimbursed with the proceeds of tax-exempt financing.

THAT, The Chief Executive Officer or his designee is authorized to negotiate an alternative funding structure(s) for financing the increased scope of work under the ESA, provided that the term of any financing may not exceed 12 years, and the interest rate on any tax-exempt or taxable debt shall not exceed the limits set forth in the Bond Authorization Act (30 ILCS 305) and to execute the negotiated agreements.

THAT, The purpose of this resolution is to satisfy the "Official Intent" requirement of applicable Income Tax Regulations.

THAT, CHA reasonably expects that it will be reimbursed for the advances described in paragraph 1 above with the proceeds of one or more issues of tax-exempt debt. The maximum principal amount of tax-exempt obligations expected to be issued for such reimbursement will not exceed \$15,000,000.

THAT, No funds from sources other than the tax-exempt debt referred to in Paragraph 4 have heretofore, or are expected to be, reserved, allocated on a long-term basis, or otherwise set aside with respect to the advances to be reimbursed.

THAT, This resolution shall be operative, effective and valid upon its adoption.

The Omnibus Motion to adopt resolutions for Item 1 General through Item C5 was seconded by Commissioner Young and the voting was as follows:

Ayes:	Sharon Gist Gilliam
	Rahm Emanuel
	Michael Darcy
	Leticia Peralta Davis
	Dr. Mildred Harris
	Mamie Bone
	Andrew Mooney
	Hallie Amey
	Earnest Gates
	Sandra Young

Nays:	None
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There being no questions or discussion, the Chairperson thereupon declared said motion carried and said resolutions approved.

There being no further business come before the Commissioners, upon motion made, seconded and carried, the meeting was adjourned.

s/b: Sharon Gist Gilliam, Chairperson

s/b: Lee Gill
Custodian and Recorder of Records